



**HPH
TRUST**

Your Preferred Port-of-Call

**2013 Financial Results
Presentation for the Quarter Ended
31 March 2013**

Disclaimer



This presentation should be read in conjunction with, and figures herein are based on, the results of Hutchison Port Holdings Trust (“HPH Trust”) for the quarter ended 31 March 2013 in the SGXNET announcement.

This presentation may contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. As these statements and financial information reflect our current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Hutchison Port Holdings Management Pte. Limited, a trustee-manager of HPH Trust, of future events.

Table of Contents

- 1 Key Highlights
- 2 Business Review for the Quarter Ended 31 March 2013
- 3 Key Financial Performance
- 4 Outlook and Prospects

1 Key Highlights

Key Highlights

- On 7 March, HPH Trust acquired 100% interests in Asia Container Terminals (“ACT”), with an aim to integrate its operation with HIT and COSCO-HIT to enhance the overall operational flexibility and efficiency for the Trust’s existing Kwai Tsing Port facilities
- YTD March 2013 throughput of HPH Trust’s deep-water ports was in line with last year, despite slower transshipment growth in Hong Kong and continued weaknesses in the EU
- Revenue and other income was 1% above last year. NPAT and NPAT attributable to unitholders was 7% and 15% below last year respectively after payments of performance fee and acquisition related costs of ACT

Key Highlights (cont'd)

- Normalised NPAT and NPAT attributable to unitholders, without performance fee and acquisition related costs, was 2% above last year and 3% below last year respectively as shown below :

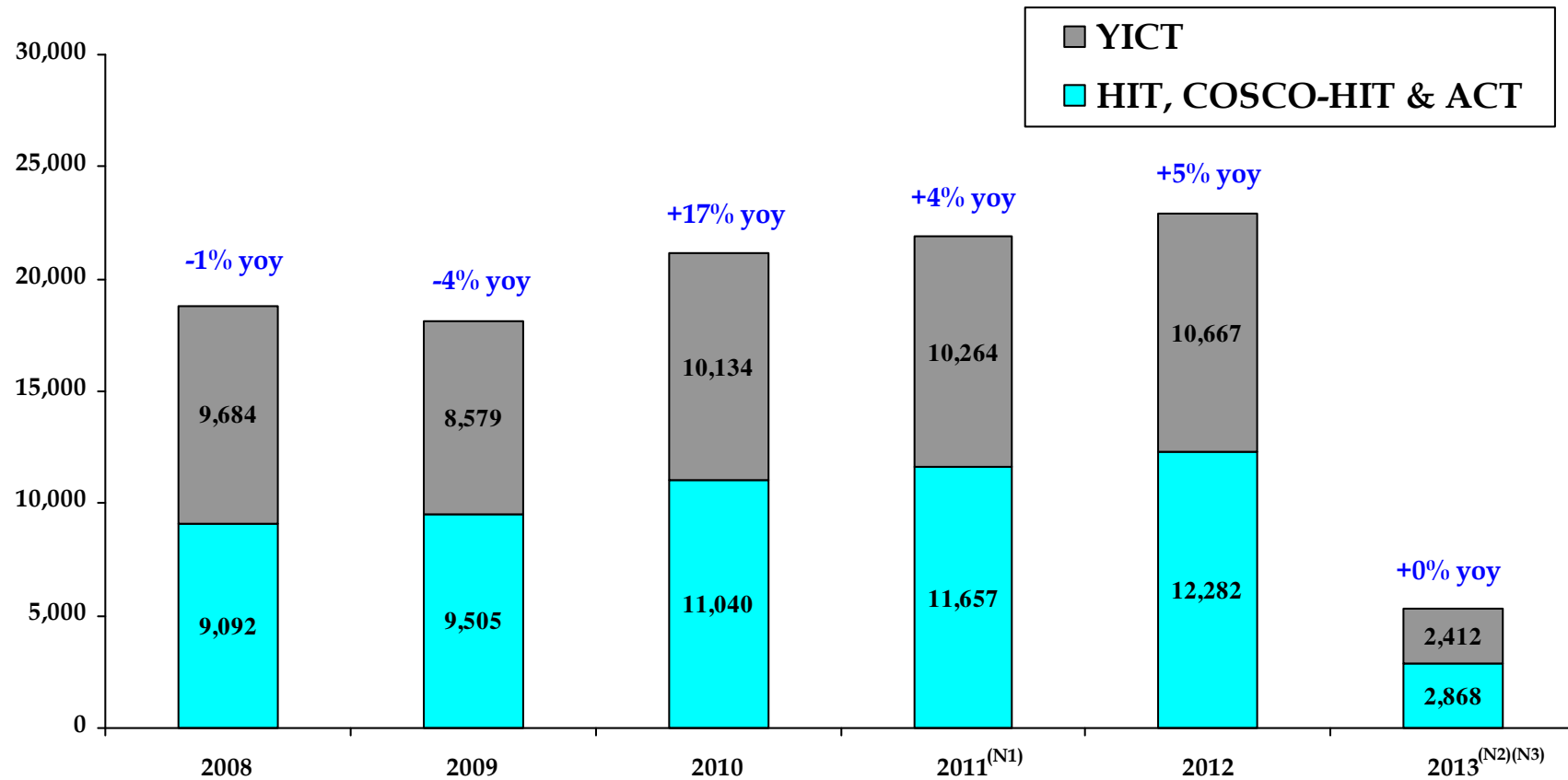
(HK\$ Million)		NPAT	NPAT attributable to unitholders
		<u> </u>	<u> </u>
Profit for the quarter ended March 2013		642.0	380.3
Add back:			
Performance fee		14.0	14.0
Acquisition related costs of ACT		41.7	41.7
Normalised profit	(a)	<u><u>697.7</u></u>	<u><u>436.0</u></u>
Profit for the quarter ended March 2012	(b)	<u><u>686.7</u></u>	<u><u>449.9</u></u>
Normalised yoy %	(a)/(b)	<u><u>2%</u></u>	<u><u>(3%)</u></u>

- The normalised NPAT was 2% above last year due to higher profit from YICT but partially offset by lower profit in HIT. Normalised NPAT attributable to unitholders was 3% below last year as Trust has 100% interests in HIT but only has 52% to 56% interests in YICT

2 Business Review for the Quarter Ended 31 March 2013

Key Business Update

Throughput Volume (TEU in thousand)



N1 2011 throughput volume is on full year basis (i.e. include the throughput volume before listing) for comparison purpose

N2 Includes throughput volume of ACT from 7 March 2013, the date of acquisition

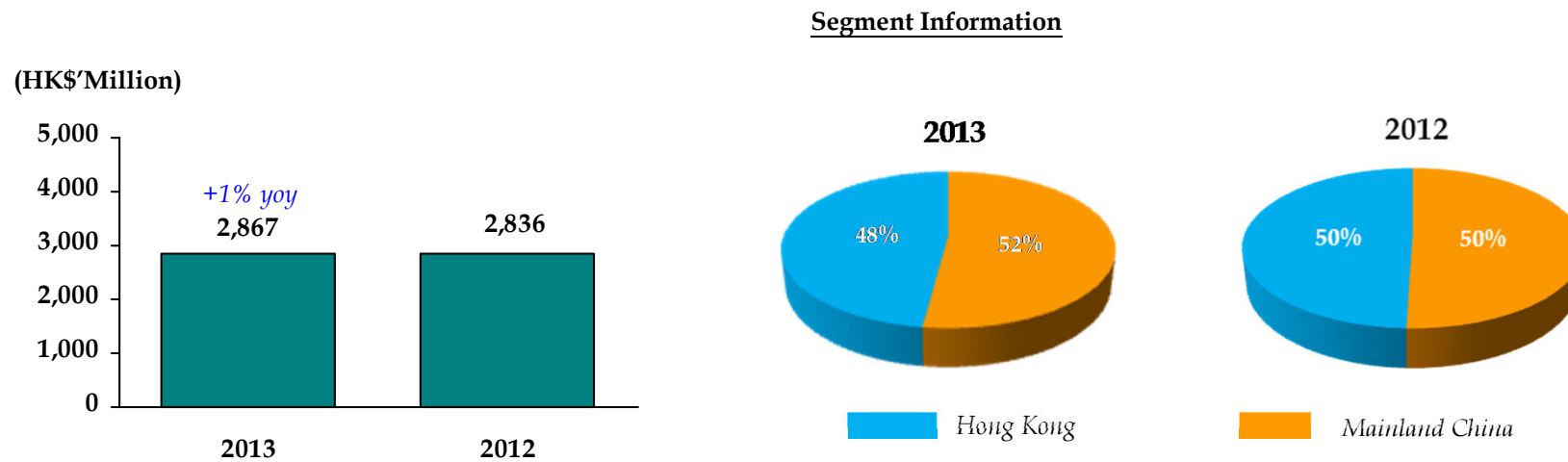
N3 The yoy percentage is compared to the same quarter in 2012

3 Key Financial Performance

Key Financial Performance

Revenue and other income

For the quarter ended 31 March 2013

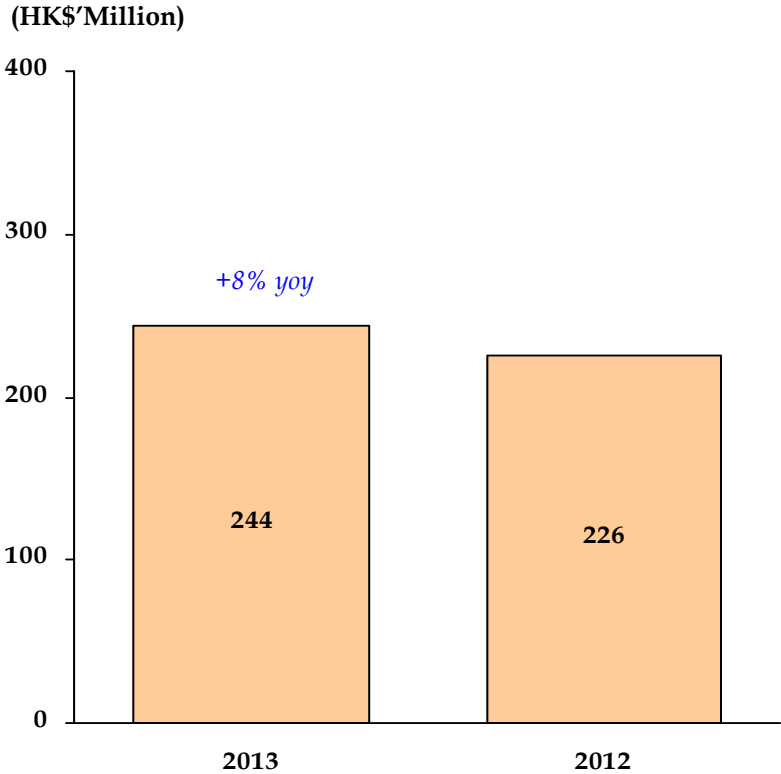


Key Financial Performance



Total Capex

For the quarter ended 31 March 2013



Key Financial Performance

Financial Position



At 31 March 2013
HK\$'Million

Short Term Debt	\$27,932.7
Long Term Debt	\$5,345.9
Total Consolidated Debt	\$33,278.6
Total Consolidated Cash	\$3,894.2

Unaudited Financial Results of HPH Trust for the Quarter Ended 31 March 2013 against Last Year



(HK\$'Million)	1 January to 31 March		
	2013 <u>Actual</u> ^(N1)	2012 <u>Actual</u> ^(N2)	% variance <u>Fav/(Unfav)</u>
Revenue and other income	2,866.5	2,836.2	1%
Cost of services rendered	(1,006.6)	(1,009.9)	-
Staff costs	(73.2)	(68.6)	(7%)
Depreciation and amortisation	(695.8)	(687.3)	(1%)
Other operating income	5.5	1.5	267%
Other operating expenses	(256.9)	(188.6)	(36%)
Total operating expenses	(2,027.0)	(1,952.9)	(4%)
Operating profit	839.5	883.3	(5%)
Interest and other finance costs	(149.0)	(152.1)	2%
Share of profits/(losses) after tax of Associated Cos/JV	34.4	41.8	(18%)
Profit before tax	724.9	773.0	(6%)
Taxation	(82.9)	(86.3)	4%
Profit after tax	642.0	686.7	(7%)
Profit after tax attributable to non-controlling interests	(261.7)	(236.8)	11%
Profit after tax attributable to unitholders of HPH Trust	380.3	449.9	(15%)

N1 The figures for the financial quarter ended 31 March 2013 are inclusive of the post-acquisition results of ACT after the acquisition of it on 7 March 2013

N2 The figures were restated as the Group has adopted HKAS 19 (2011) "Employee Benefits" with retrospective effect

There are no material differences between HKFRSs and IFRSs and no material adjustments are required to restate the financial statements of HPH Trust in accordance with IFRSs

Statements of Financial Position as at 31 March 2013 and 31 December 2012



(HK\$'Million)	31 March 2013 <u>Unaudited</u>	31 December 2012 <u>Audited</u>
ASSETS		
Non-Current assets		
Fixed assets	28,524.2	26,247.9
Projects under development	1,474.9	1,315.4
Leasehold land and land use rights	45,540.1	44,958.9
Railway usage rights	16.0	16.0
Customer relationships	7,757.7	7,841.2
Goodwill	42,500.4	41,629.0
Associated companies	143.5	139.7
Joint ventures	2,538.8	2,548.8
Investments	825.5	820.4
Deferred tax asset	9.0	9.0
Total non-current assets	<u>129,330.1</u>	<u>125,526.3</u>
Current assets		
Cash and cash equivalents	3,894.2	6,168.8
Trade and other receivables	2,842.7	3,022.6
Inventories	158.9	132.4
Total current assets	<u>6,895.8</u>	<u>9,323.8</u>

Statements of Financial Position as at 31 March 2013 and 31 December 2012 (cont'd)



(HK\$'Million)	31 March 2013 <u>Unaudited</u>	31 December 2012 <u>Audited</u>
Current liabilities		
Trade and other payables	6,463.1	7,713.6
Bank loans	27,818.6	32.7
Current tax liabilities	108.3	220.4
Total current liabilities	<u>34,390.0</u>	<u>7,966.7</u>
Net current (liabilities)/assets	<u>(27,494.2)</u>	<u>1,357.1</u>
Total assets less current liabilities	<u>101,835.9</u>	<u>126,883.4</u>
Non-current liabilities		
Bank loans	5,345.6	29,108.7
Pension obligations	353.8	347.5
Deferred tax liabilities	12,335.9	11,900.6
Other non-current liabilities	28.0	19.5
Total non-current liabilities	<u>18,063.3</u>	<u>41,376.3</u>
Net assets	<u>83,772.6</u>	<u>85,507.1</u>
EQUITY		
Units in issue	68,553.8	68,539.8
Reserves	(3,352.5)	(1,383.8)
Net assets attributable to unitholders	<u>65,201.3</u>	<u>67,156.0</u>
Non-controlling interests	18,571.3	18,351.1
Total equity	<u>83,772.6</u>	<u>85,507.1</u>

Cashflow Statements for the Quarter Ended 31 March 2013 and 31 March 2012



(HK\$'Million)	<u>1 January to 31 March 2013</u>	<u>1 January to 31 March 2012</u>
Operating activities		
Cash generated from operations	1,525.7	1,406.8
Interest and other finance costs paid	(111.3)	(121.1)
Tax paid	(223.2)	(194.1)
Net cash from operating activities	<u>1,191.2</u>	<u>1,091.6</u>
Investing activities		
Acquisition of subsidiary companies	(3,868.1)	-
Purchase of fixed assets and additions to projects under development	(244.0)	(225.8)
Proceeds on disposal of fixed assets	4.2	0.5
Dividends received from investments	50.8	-
Dividends received from associated companies and joint ventures	41.8	7.4
Interest received	19.8	38.0
Net cash used in investing activities	<u>(3,995.5)</u>	<u>(179.9)</u>
Financing activities		
Drawdown of bank loans	4,000.0	-
Repayment of bank loans	(1.3)	(1.2)
Upfront debt transaction costs and facilities fee of bank loans	(8.0)	-
Distributions to unitholders of HPH Trust	(2,367.9)	(2,037.9)
Dividends to non-controlling interests	(1,093.1)	(685.3)
Net cash from/(used in) financing activities	<u>529.7</u>	<u>(2,724.4)</u>
Net changes in cash and cash equivalents	<u>(2,274.6)</u>	<u>(1,812.7)</u>
Cash and cash equivalents at beginning of the quarter	6,168.8	7,890.5
Cash and cash equivalents at end of the quarter	<u>3,894.2</u>	<u>6,077.8</u>

4 Outlook and Prospects

Outlook and Prospects

Overview



- The volume of containers handled by HPH Trust is influenced by the performance and growth of international and regional economies, in particular Europe and North America
- The Eurozone remains mired in recession, the USA is experiencing modest growth and emerging countries are anticipated to continue playing a significant role in driving global growth
- Consequently, transshipments and the Far East, Africa, Central and South America and Oceania trade routes are expected to outperform the sluggish Europe and slow growth North America routes
- Despite the muted economic environment, China's manufacturing activity has improved in the first quarter of 2013. The manufacturing purchasing managers' index rising to an eleven month high of 50.9 in March 2013 and exports have grown 18% over the first quarter of 2012 as per China Customs' statistics
- Shipping lines continue to reduce costs and achieve economies of scale by deploying more mega-vessels, entering into more vessel sharing agreements and consolidating traffic at larger ports

Outlook and Prospects (cont'd)

Overview



- HPH Trust is anticipated to benefit from these changes with its superior infrastructure, natural deep-water channels, long continuous berths and scale of operations
- The acquisition and integration of ACT with HIT and COSCO-HIT will enhance the scale, operational flexibility and efficiency of the Trust's Kwai Tsing Port facilities
- On 28 March 2013, certain employees of a few contractors to HIT took and continue to take industrial action in relation to a pay and working conditions dispute with their employers. Their actions have disrupted normal terminal operations at HIT. While the dispute has not been resolved, terminal operations are gradually returning to normal. The Trustee-Manager will continue to work with all parties involved to resolve the dispute
- The Trustee-Manager believes that the disruption to HIT's terminal operations has not had a material adverse impact on the performance of HPH Trust
- The Trustee-Manager is confident that HPH Trust will respond promptly and effectively to any challenges, given its strong fundamentals